

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket 2002-70

CONSUMERS MAINE WATER COMPANY
Re: Proposed Increase in Rates for its
Greenville Division

STIPULATION

It is understood and agreed to by and between Consumers Maine Water Company (“Company”) and the Office of Public Advocate as follows:

I. Purpose

It is the purpose of this Stipulation Agreement to settle all the issues with respect to this proceeding, to avoid a hearing and to expedite the Public Utilities Commission’s consideration and resolution of this proceeding. The provisions agreed to herein have been reached as a result of information gathered through the discovery process and discussions and negotiations with the Company.

II. Procedural History

On February 6, 2002, Consumers Maine Water Company filed a rate increase application for its Greenville Division requesting an 11.83% increase, or \$41,847 of additional annual revenue. This application was filed using a 2001 actual test year.

A Petition of Intervention was filed by the Office of Public Advocate. The Commission received a letter from the Town of Greenville, but neither the Town nor any other party sought to intervene.

III. Stipulation Provisions

1. It is agreed that the record on which the Commission may base its determination in this matter shall consist of this Stipulation Agreement, all data requests and responses thereto, and any other material furnished by the Staff to the Commission, either orally or in writing, at the time of the Commission's consideration of these proceedings.
2. It is agreed that this Stipulation Agreement shall not be considered legal precedent, nor shall it preclude a party from raising issues addressed herein in any other Commission proceeding or investigation.

3. The total revenue requirement and revenue increase shall be as follows:

Revenue Increase

\$40,847

Annual Revenue Requirement

\$394,716

4. Allowed rate base is \$1,103,456.
5. The capital structure is based on 12/31/01 actual.
6. The stipulated revenue increase reflects a reduction of \$1,000 in normalized Rate Case Expense from the \$2,537 annual amount requested in the filing to \$1,537.
7. The parties agree that this rate increase will be allocated pro rata evenly across all metered and fire protection classes.
8. The Company shall file with this Stipulation compliance tariffs and a billing analysis showing the new rates. It is agreed that the new tariffs shall become effective on the earlier of the date of Commission Order or April 15, 2002.

It is agreed that this Stipulation Agreement represents the full agreement between the parties hereto and that rejection of any part of this agreement constitutes rejection of the whole.

CONSUMERS MAINE WATER COMPANY

DATED:

Judith W. Kelley, President

OFFICE OF THE PUBLIC ADVOCATE

DATED:

William C. Black
Deputy Public Advocate